GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Infrastructure & Investment Dept – Construction of Mulapeta Port on EPC Contract basis –Request of EPCC M/s Vishwa Samudra Ports (JV), Hyderabad for approval of variation of Rs.213.28 Cr. due to change in the alignment of External road Connectivity from NH 16 to Mulapeta Port from North side to South side of Port (during the execution)-Approved -Orders - Issued.

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INFRASTRUCTURE & INVESTMENT (PORTS) DEPARTMENT

G.O.MS.No. 13 Dated: 21-10-2025

Read the following:

1. G.O.Ms.No.8, I&I (PORTS-I) Dept, dt.17.08.2021
2. Memo No.INI01-PORT/17/2024, I&I (Ports-1) Dept, dt.31.05.2025
3. E- file Comp.No.2840652 received from the CEO, APMB.
4. G.O.Rt.No.53, Infrastructure & Investment (Ports) Department, Dt.09.06.2025.
5. Minutes of the Technical Evaluation Committee meeting held on 26.08.2025.

ORDER:

Government vide reference 1st read above, has approved the revised DPR and administrative sanction for development of Bhavanampadu Port to take phase-1 works with total project cost of Rs.4361.91 cr.

2) In the reference 2nd read above, Government has descope the Material Handing Equipment & System from the EPC contract for the Mulapeta Port for an amount of Rs.329,61,05,968/-along with other ports.

3) In the reference 3rd read above, the Chief Executive Officer, APMB has stated that agreement has been concluded with M/s Vishwa Samudra Ports (JV), Hyderabad for the work of "Construction of Greenfield Port at Bhavanapadu on Engineering, Procurement and Construction Contract basis" for Rs.2949.70 Crs. Tenders were invited prior to obtaining Environmental Clearance (EC). Subsequently, while obtaining the EC and during deliberations with the Ministry of Environment, Forest and Climate Change (MoEF&CC), it was noted that the external road alignment to nearest NH is passing through an Eco-Sensitive Zone, necessitating the proposal of a new alignment. Further, the District Administration has

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informed that the original alignment traverses several villages, which would involve land acquisition and could potentially trigger Rehabilitation and Resettlement (R&R) issues thus requiring additional extent of land.

4) In light of these environmental and social concerns, a revised alignment on the south side was considered to mitigate the identified challenges. In view of these factors, the road connectivity alignment to NH 16 was changed from North side of the Port to South side of the Port after completion of the tender process. As such the EPC contractor could not review at the time of tendering/biding stage as the change of alignment was notified during later stage.

5) The EPCC M/s Vishwa Samudra Ports (JV), Hyderabad have requested for approval of variation due to change in the alignment of External road Connectivity from NH 16 to Mulapeta Port from North side (at tender time) to South side of Port (during the execution) under Clause 40.3.2 & Clause 96, Section 9, Vol III of the EPC Contract. After preliminary assessment by PMC M/s. TCE Ltd., the proposal was placed before the EPC committee constituted by G.O.Rt.No.8, I & I dept, dated 09.03.2021 for verification and final recommendation to Government of Andhra Pradesh.

6) The Chief Executive Officer, APMB has stated that the proposal have been placed before the Tender Evaluation and EPC Committee to oversee the Ports and Fishing Harbour projects taken up by APMB under EPC vide reference 4th read above, the Committee has reviewed the alignment, technical analysis and estimate of the South side newly proposed road presented by PMC and have made the following recommendations.

- In view of the substantial R&R cost (approx cost of Rs.250 Cr) involved in the old alignment i.e., on the North side of the Port, and considering that the North-side road passes through existing Villages which involves safety issues in addition to the time over run due to R&R activity on North side EC-approved alignment may be considered.
- The original northern alignment with cost of Rs. 136.90 crores may be de-scoped from the EPC contract and the EC-approved Southern alignment be treated as a new scope of work within the original scope of work (which is contingent and outside the scope of work of EPCC) under Clause 40.3.2 of the EPC Agreement.
- The committee recommended that the Road on south side of the Greenfield port with a cost of Rs 350.18 Crs plus applicable Taxes.

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- The Committee reiterated that the connection of the port road to NH-16, encompassing road works, structures, and utilities, shall be executed within the sanctioned scope of work and shall not entail any financial liability beyond the value.

7) Therefore, the CEO, APMB has requested the Government to descope the original Northern alignment from the existing EPC Contract and to treat EC-approved Southern alignment as a new scope of work under Clause 40.3.2 of the EPC Agreement and the variation proposal for EC-approved Southern road alignment amounting to Rs.213.28 Crores (Rs.350.18-136.90 cr) of existing EPC Contract may be approved.

8) Government after careful examination of the matter, hereby accord permission to the Chief Executive Officer, AP Maritime Board to descope the original Northern alignment from the existing EPC Contract and to treat EC-approved Southern alignment as a new scope of work under Clause 40.3.2 of the EPC Agreement and the variation proposal for EC-approved Southern Road alignment amounting to Rs.213.28 Crores (Rs.350.18-136.90 cr) of existing EPC contract is approved subject to ensure that the rates for new item is arrived with the original IBM estimate rates only. Entrustment of the new item which is a noncontingent to the main work, to take action as per the Para 154 and its sub notes of APPWD-D Code and e-procurement guidelines.

9) The Chief Executive Officer, AP Maritime Board is requested to take further necessary action in the matter.

10) This order issues with the concurrence of the Finance (FMU.Energy, I&C, I&I) Dept vide their U.O.Note. FIN01-FMU0PC(IIE)/ 3/2020-FMU-IIEIC Computer No. 1209963, dt.27.09.2025.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

MOVVA TIRUMALA KRISHNA BABU
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Chief Executive Officer, Andhra Pradesh Maritime Board, Mangalagiri.
Copy to:
The Finance (FMU-I&I, Energy and I&C**)** Dept.,
The PS to Secretary to Hon'ble Chief Minister
The OSD to Hon'ble Minister (I&I)
The P.S. to Special Chief Secretary to Govt., I&I Department.
(C.No.INI01-PORT/44/2024, Comp.No. 1205647)
Sf/Sc

//FORWARDED :: BY ORDER//

SECTION OFFICER